

THIS DISPOSITION IS
THE TTAB FEB. 28, 00

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UNITED STATES DEPARTMENT OF COMMERCE
Patent and Trademark Office
Trademark Trial and Appeal Board
2900 Crystal Drive
Arlington, Virginia 22202-3513

FSW

Opposition No. 98,910

Sara Lee Corporation

v.

Dawn Marie Chaikin

Before Simms, Seeherman and Hohein,
Administrative Trademark Judges.

By the Board:

This case comes up on the following motions:

1. Applicant's motion for summary judgment, filed January 23, 1997;
2. Opposer's motion to amend the notice of opposition, filed June 2, 1998;
3. Opposer's cross-motion for **summary judgment**, filed June 2, 1998;
4. Applicant's motion to strike opposer's cross-motion, filed June 24, 1998; and
5. Applicant's request to divide its application, filed June 24, 1998.

With the exception of opposer's motion to amend, which is unopposed, all motions have been fully briefed.

Applicant's Motion for Summary Judgment

Applicant's motion for summary judgment is based on the ground that, as a matter of law, there is no likelihood of confusion between applicant's COOL FIT mark for clothing and

opposer's COOLKNIT mark for a fabric. Opposer contends that there are genuine issues of material fact in dispute concerning, at the least, the nature of the marks and the relatedness of the goods.

Summary judgment is an appropriate method of disposing of cases in which there are no genuine issues of material fact in dispute, thus leaving the case to be resolved as a matter of law. See Fed. R. Civ. P. 56(c). The party moving for summary judgment has the initial burden of demonstrating the absence of any genuine issues of material fact. See Celotex Corp. v. Catrett, 477 U.S. 317 (1986); Sweats Fashions Inc. v. Pannill Knitting Co., 833 F.2d 1560, 4 USPQ2d 1793 (Fed. Cir. 1987).

A factual dispute is genuine if, on the evidence of record, a reasonable fact finder could resolve the matter in favor of the non-moving party. See Opryland USA Inc. v. Great American Music Show Inc., 970 F.2d 847, 23 USPQ2d 1471 (Fed. Cir. 1992); Olde Tyme Foods Inc. v. Roundy's Inc., 961 F.2d 200, 22 USPQ2d 1542 (Fed. Cir. 1992).

In support of her motion, applicant relies on two 1995 advertisements for applicant's COOL FIT wearing apparel; an ad for COOLMAX fabric (which fabric applicant uses in its garments); copies of seven third-party registrations for marks that include "cool" as an element thereof; and opposer's statement, made in response to **interrogatories**

propounded by applicant, that opposer is unaware of any instances of actual confusion between opposer's products and any of applicant's products. Applicant did not file an affidavit or declaration in connection with her motion.

In response to applicant's motion for summary judgment, opposer submitted the declaration of its assistant secretary, who asserts that opposer sells a fabric under the mark COOLKNIT; that the fabric is sold only as a component in a garment and is not sold separately; and that opposer's products and applicant's products are directly competitive.

Opposer further relies on the declaration of its counsel, who states that his office conducted a search of the status of the third-party registrations relied upon by applicant, and found that six of the seven third-party registrations have been cancelled.

We find that there are genuine issues of material fact involving, at the least, the relatedness of the goods, the channels of distribution, the classes of consumers, and the strength of opposer's mark. Accordingly, applicant's motion for summary judgment is denied.

Opposer's Motion to Amend

On June 2, 1998, opposer filed an amended notice of opposition, together with a motion to amend the notice of opposition to include a count of fraud.

Office records indicate no response to opposer's motion. When a party fails to file a brief in response to a motion, the Board may treat the motion as conceded. See Trademark Rule 2.127(a); and TBMP 502.03.

Rule 9(b) of the Federal Rules of Civil Procedure requires that the circumstances constituting fraud be stated with particularity. Opposer claims that applicant has not used her mark on the specific goods recited in the application; that applicant falsely stated that she had made such use and falsely stated the date of first use; that the statements were made knowingly and willfully, with the intent to deceive the Patent and Trademark Office ("Office") and that the examining attorney relied upon one or both of these statements in passing applicant's mark to publication.

The amended notice of opposition sets forth a claim of fraud with the requisite particularity. In view thereof, the motion is granted as well-taken and as conceded.

Opposer's Cross-Motion For Summary Judgment; Applicant's Motion to Strike

Opposer filed a cross-motion for summary judgment in response to applicant's motion for summary judgment. A cross-motion for summary judgment is an appropriate response to a motion for summary judgment filed by the adverse party, and is germane to the motion. See TBMP 528.03.

Accordingly, applicant's motion to strike opposer's cross-motion for summary judgment on the ground that it is

not germane to applicant's motion for summary judgment is denied.

Opposer's cross-motion for summary judgment is based on the ground that applicant committed fraud in filing her application by failing to use her mark on all of the goods of the application and by knowingly and falsely stating that she had made such use, thereby deceiving the Office into passing the mark to publication.

Applicant contends that opposer has not shown the absence of a genuine issue of material fact concerning whether applicant engaged in fraud. Applicant concedes that she did not sell all of the goods listed in her application, but alleges that "Opposer only showed that the statements in Applicant's deposition show that some of the goods listed in the application were not **sold** in commerce, but did not address the issue of whether they were **transported** in commerce. Thus, Opposer did not show that applicant made misstatements in her declaration...." (emphasis in the original). Applicant, however, failed to produce an affidavit or declaration attesting to any alleged transportation of her goods.

Fraud in procuring a trademark registration occurs when an applicant knowingly makes false, material representations of fact in connection with his or her application. See Torres v. Cantine Torresella S.r.l., 808 F.2d 46, 1 USPQ2d

1483 (Fed. Cir. 1986); Western Farmers Association v. Loblaw Inc., 180 USPQ 345, 347 (TTAB 1973)(statement in application for registration that mark had been used on specific goods, whereas in fact mark had never been used on such goods, was not an inadvertence but was a willful false representation involving a fraud upon the Office); and First International Services Corp. v. Chuckles, 5 USPQ2d 1628 (TTAB 1987).

In First International Services v. Chuckles, *supra*, applicant's president admitted during his discovery deposition that the mark had not, at the time he signed the application, been used on most of the goods identified in the application. The Board found that applicant committed fraud in its statement regarding the use of the mark on goods for which it only intended to use the mark, and that this statement was material to the approval of the application by the examining attorney. As for whether opposer had shown the requisite element of intent or knowing falsity, the Board stated, "[W]e recognize that it is difficult, if not impossible, to prove what occurs in a person's mind, and that intent must often be inferred from the circumstances and related statement[s] made by that person. Otherwise, all claims of fraud could easily be defeated by the simple statement, 'I had no intent to do so.' The analysis must be whether the person knew or should

have known of the falsity of the statement." First International Services, 5 USPQ2d at 1636.

In this case, applicant knew or should have known of the falsity in stating the mark had been used on goods on which the mark had not been actually used. Applicant applied for her mark as an individual, and signed the declaration accompanying her application for registration. During her discovery deposition¹ she indicated that she owns the corporation "Cool-Fit, Inc.," *Chaikin deposition*, page 8, line 16, and that there are no other owners or directors of Cool-Fit, Inc. *Chaikin deposition*, page 10, line 12. Applicant was therefore in the position to know whether applicant (individually, or doing business as Cool-Fit, Inc.) used the trademark COOL FIT on clothing.

Applicant testified during her discovery deposition that she never used the mark on pants. *Chaikin deposition*, page 14, line 8. She further testified that sales **have been**

¹ Applicant designated her entire deposition transcript as confidential, and opposer accordingly filed it under seal. However, only information which is truly confidential should be filed under seal. A redacted copy of the deposition (deleting confidential matters) shall also be filed for entry in the proceeding file. See Trademark Rule 2.27; and TBMP 121.01.

Accordingly, applicant is allowed **twenty days** from the mailing date of this order in which to provide the Board with a redacted copy of applicant's deposition, failing which the deposition will be placed in the proceeding file and the "confidential" references will be disregarded.

We have been careful not to include any information in this order that would be considered confidential.

limited to shorts and t-shirts. *Chaikin deposition, page 14, line 17; page 19, lines 12-15.* She also testified that she never sold caps, exercise tights, hats, warm-ups, skirts, shoes, underwear, sports bras, socks, or sweatshirts, *Chaikin deposition page 12, line 2, and pages 19-25*, although some of those items were "test marketed" by being given to applicant's friends to examine.² *Chaikin deposition, pages 11-14 and 21-25.* All of the above goods are included in applicant's trademark application.³

There is no genuine issue that applicant has never used her mark on pants, although this item was identified in the application as one of the goods on which use had been made. As the Board expressed in First International Services, "[t]he language in the application that the 'applicant had adopted and is using the mark shown' is clear and unambiguous and was central to the application. The errors in this statement cannot be characterized as mere

² Applicant defined test marketing as "hav[ing] an item made up with the mark on it and you let people have it and wear it and get their response." *Chaikin deposition, page 22, lines 10-12.* Applicant's friends were the people who test marketed the items. *Chaikin deposition, page 13, line 12.*

³ Application Ser. No. 74/546,907 was filed on June 28, 1994 and claimed first use of May 25, 1994 on the following goods: "sweatshirts, pants, shorts, t-shirts, skirts, underliners, caps, socks, exercise tights, hats, warm-ups, shoes, sports bras, for adults and children." During prosecution of the application, the term "underliners" was amended to "underwear," but the Office failed to enter the amendment at that time. The amendment has now been made part of the record.

carelessness or misunderstanding to be winked at as of no importance." Id., at page 1636.

It is therefore concluded that applicant's false representation was willful and involved a fraud upon the Office. Opposer's motion for summary judgment is therefore granted.

Applicant's Request To Divide

Applicant seeks to divide her single-class application into two applications, both in the same class but listing different goods, to avoid opposer's allegations of likelihood of confusion with respect to some of the goods.

Aside from the fact that applicant has failed to pay the proper fee for division, see Trademark Rules 2.87 and 2.6(a)(19), the division of the application would not cure the finding of fraud, which taints the application as a whole. Thus, no purpose would be served by dividing the application.

Applicant's motion to divide her application is denied.

Summary

Applicant's motion for summary judgment is denied; opposer's motion to amend the notice of opposition is granted; applicant is allowed **twenty days** from the mailing date of this order in which to provide the Board with a redacted copy of applicant's deposition; applicant's motion

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to strike opposer's cross-motion for summary judgment is denied; opposer's cross-motion for summary judgment is granted; and applicant's request to divide her application is denied.

Accordingly, judgment is hereby entered against applicant, the notice of opposition is sustained, and registration to applicant is refused.

R. L. Simms

E. J. Seeherman

G. D. Hohein
Administrative Trademark Judges
Trademark Trial and Appeal Board